STAND. COM. REP. NO. 2125

Honolulu, Hawaii

FEB 0 7 2014

RE: S.B. No. 2484

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2484 entitled:

"A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to provide a remedy for community associations to recover unpaid assessments for a share of common expenses up to the time of a grant or conveyance of property.

Your Committee received testimony in support of this measure from the Hawaii Council of Associations of Apartment Owners; Community Associations Institute, Hawaii Chapter; and two individuals.

Your Committee finds that escrow companies and other interested parties are usually aware of a lien of a condominium association. However, it is not uncommon for escrow companies and other interested parties to handle the sale of a non-condominium, planned community association unit and overlook the collection of the association's unpaid assessments for the unit. Your Committee further finds that this measure addresses these concerns by adopting existing language on voluntary sales from state condominium law into chapter 421J, Hawaii Revised Statutes, the planned community association chapter. By doing so, this measure will clarify the responsibilities of a planned community association, unit owners, the buyer, and escrow officers in a voluntary conveyance and protect the interests of the planned

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community association and the purchasers of a unit governed by a planned community association.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2484 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

ROSALYN H. BAKER, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral:		Da	Date:	
SB2484	CPN			2/4/14	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		· /			
TANIGUCHI, Brian T. (VC)					1
NISHIHARA, Clarence K.		\			
WAKAI, Glenn		'			
SLOM, Sam		/			

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TOTAL		4			(
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Clarence & Frishiham					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes